June 25, 2010

WASHINGTON, DC -Last night, U.S. Rep. Michael A. Arcuri (NY-24) sent a strong message to Iran by helping to pass a set of comprehensive sanctions (H.R. 2191) designed to persuade Iran's leaders to halt their nuclear program, as demanded repeatedly by the international community.

"A nuclear-armed Iran would pose a threat to regional stability and to its pro-Western neighbors, most notably Israel," said Arcuri. "Sanctions are our best hope for achieving the goal of a nuclear weapons-free Iran peacefully, especially since they have chosen to ignore repeated efforts to engage diplomatically."

Arcuri added, "This bill imposes severe restriction on foreign banks doing business with blacklisted Iranian entities as well as holding U.S. banks accountable for actions by their foreign subsidiaries."

The Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, would strengthen the underlying Iran Sanctions Act (ISA) by imposing an array of tough new economic penalties aimed at persuading Iran to change its conduct including:

- Expand the scope of sanctions authorized under ISA by imposing sanctions on foreign companies -- including insurance, financing and shipping companies -- that sell Iran goods, services, or know-how that assist it in developing its energy sector;

- Ban U.S. banks from engaging in financial transactions with foreign banks doing business with the IRGC or facilitating Iran's illicit nuclear program or its support for terrorism;

- Impose significant financial penalties and travel restrictions on Iran's human rights abusers;

- Establish three new sanctions, in addition to the menu of six sanctions that already exists under ISA, including: (1) a prohibition on access to foreign exchange in the U.S.; (2) a prohibition on access to the U.S. banking system; and (3) a prohibition on property transactions in the U.S. The Act would require the President to impose at least three of the possible now-nine sanctions on an entity in violation of ISA;

- Ban U.S. government procurement contracts for any foreign company that exports to Iran technology used to restrict the free flow of information or to disrupt, monitor, or otherwise restrict freedom of speech;

- Require a certification from a company bidding on a U.S. government procurement contract that it is not engaged in sanctionable conduct;

- Provide a legal framework by which U.S. states, local governments, and certain other investors can divest their portfolios of foreign companies involved in Iran's energy sector. Strengthen efforts to stop black-market diversion of sensitive technologies to Iran.

- Strengthen the U.S. trade embargo against Iran by codifying longstanding executive orders and limiting the goods exempted from the embargo.

- Increase substantially the criminal penalties for sanctions violations by U.S. entities.

Sanctions under H.R. 2194 would terminate once the President certifies to Congress that Iran no longer satisfies the requirements for designation as a state-sponsor of terrorism under U.S. law, and has ceased its efforts to develop or acquire nuclear, biological, and chemical weapons and ballistic missiles and ballistic-missile launch technology.

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